

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA,

v.

MAGISTRATE JUDGE
BANDSTRA

CR - GOLD
97-0842 CRN GOLD
CASE NO.

18 U.S.C. §371
18 U.S.C. §542
26 U.S.C. §7201
26 U.S.C. §7206(1)
18 U.S.C. §2

REMEDIOS DIAZ OLIVER,
FRANCISCO HERNANDEZ-PEREZ,
LILLIAM MARTINEZ,
CLAUDIO L. MARTINEZ,
FAUSTO DIAZ OLIVER,
and
VICENTE HERNANDEZ-PEREZ,

Defendants.

INDICTMENT

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The Grand Jury charges that:

COUNT 1

CONSPIRACY TO EVADE CUSTOMS DUTIES
AND TO DEFRAUD THE INTERNAL REVENUE SERVICE
(18 U.S.C. §371)

1. From in or about July of 1987, through on or about May 10, 1996, in Miami, Dade County, in the Southern District of Florida and elsewhere, the defendants,

REMEDIOS DIAZ OLIVER,
FRANCISCO HERNANDEZ-PEREZ,
LILLIAM MARTINEZ,
CLAUDIO L. MARTINEZ,
FAUSTO DIAZ OLIVER,
and
VICENTE HERNANDEZ-PEREZ,

3 #

did knowingly and willfully combine, conspire, confederate and agree with each other, and with persons known and unknown to the Grand Jury, to commit an offense against the United States and to defraud the United States as follows:

a) to understate the true cost of imported merchandise on invoices, declarations, papers and statements, in order to deprive the United States of lawful duties accruing upon merchandise embraced and referred to in such invoices, declarations, papers and documents, in violation of Title 18, United States Code, Section 542; and

b) to defraud the United States for the purpose of impeding, impairing, obstructing, and defeating the lawful government functions of the Internal Revenue Service of the United States Treasury Department in the ascertainment, computation, assessment, and collection of the revenue: to wit income taxes, in violation of Title 18, United States Code, Section 371.

PARTIES, PERSONS AND ENTITIES

At all times relevant to this Indictment:

2. Spanish Foods, Incorporated ("Spanish Foods"), was a Florida corporation based in Dade County, Florida. Spanish Foods was initially incorporated in July of 1987 under the name "Foods From Spain, Incorporated." In September of 1989 the name of the company was changed to Spanish Foods. Spanish Foods imported food products from Spain and other countries and distributed those products throughout the United States and elsewhere under the brand name of "La Molinera."

3. Hernandez-Perez Hermanos, S.A. ("HPH") was a company incorporated and located in Spain which packaged fruits and vegetables for sale in Spain and elsewhere. HPH owned the brand

name "La Molinera." Spanish Foods purchased many of its food products from HPH in Spain and imported those products into the United States.

4. Defendants VICENTE HERNANDEZ-PEREZ and his son FRANCISCO HERNANDEZ-PEREZ were managing directors and principals of HPH. Through HPH, they purchased, owned and controlled 51% of the shares of Spanish Foods. Defendant FRANCISCO HERNANDEZ-PEREZ was the first President of Spanish Foods and later became the Chairman of its Board of Directors. Defendant VICENTE HERNANDEZ-PEREZ was a member of the Board of Directors of Spanish Foods.

5. Defendants VICENTE HERNANDEZ-PEREZ and FRANCISCO HERNANDEZ-PEREZ also owned and controlled Hesperides, S.A., ("Hesperides") a subsidiary of HPH incorporated in Spain.

6. Defendants REMEDIOS DIAZ OLIVER and her husband FAUSTO DIAZ OLIVER participated in the creation, operation and management of Spanish Foods. Through nominees, they owned 24.5% of the shares of Spanish Foods. The nominees were their two children, each of whom purportedly held 12.25% of Spanish Foods's shares in their respective names.

7. Defendants LILLIAM MARTINEZ and her husband CLAUDIO L. MARTINEZ owned the remaining 24.5% of Spanish Foods' shares. Defendant LILLIAM MARTINEZ served as Vice-President and later as President of Spanish Foods.

8. Thai Corporation, LTD., was a shelf company incorporated in Tortola, British Virgin Islands, which was owned and controlled by defendants REMEDIOS DIAZ OLIVER and FAUSTO DIAZ OLIVER. These defendants concealed their ownership and control of Thai Corporation, LTD., through nominees. Defendants REMEDIOS DIAZ OLIVER and FAUSTO DIAZ OLIVER

used Thai Corporation, LTD., to help conceal the movement of funds involved in the conspiracy as well as their ownership and control over said funds.

9. First Royalrock, Inc., was a shelf company incorporated in Tortola, British Virgin Islands, which was owned and controlled by defendants CLAUDIO L. MARTINEZ and LILLIAM MARTINEZ. These defendants concealed their ownership and control of First Royalrock, Inc., through nominees. Defendants CLAUDIO L. MARTINEZ and LILLIAM MARTINEZ used First Royalrock, Inc. to help conceal the movement of funds involved in the conspiracy as well as their ownership and control over said funds.

10. Roster, S.A., was also a shelf company incorporated in Tortola, British Virgin Islands. Roster, S.A., was owned and controlled by defendants FRANCISCO HERNANDEZ-PEREZ and VICENTE HERNANDEZ-PEREZ. These defendants used Roster, S.A., to help conceal the movement of funds involved in the conspiracy as well as their ownership and control over said funds.

11. American International Container, Inc., ("AIC") was a company incorporated in Florida and located in Dade County, Florida. AIC was a distributor of plastic and glass containers. Defendant REMEDIOS DIAZ OLIVER was the Vice-President of AIC and was in charge of the day to day operation of the company until approximately October of 1991. The defendants used AIC to further their scheme to evade U.S. customs duties.

12. ICEX was an agency of the Spanish government which reimbursed advertising and start-up expenses of foreign companies owned by Spanish nationals that imported Spanish products. During the course of the conspiracy, Spanish Foods obtained subsidies from ICEX for purported costs incurred by Spanish Foods.

13. The U.S. Customs Service is an agency of the United States Treasury Department

empowered to assess and collect duties on products imported into the United States.

14. The Internal Revenue Service is an agency of the United States Treasury Department empowered to compute, assess and collect personal and corporate income taxes.

PURPOSE AND OBJECT OF THE CONSPIRACY

15. It was a purpose and object of the conspiracy for the defendants to unlawfully earn monies by fraudulently evading the payment of U.S. customs duties on products imported by Spanish Foods into the United States and to conceal earnings from the Internal Revenue Service by claiming those earnings as fictitious expenses on the corporate income tax returns of Spanish Foods and by omitting those earnings from their personal income tax returns.

THE MANNER AND MEANS OF THE CONSPIRACY

16. The defendants created and presented to the U.S. Customs Service fraudulent invoices to evade duties on food products imported by Spanish Foods into the United States. For each shipment of goods, for which duties were assessed based upon the cost of the goods, two invoices were prepared: a fraudulent invoice which reflected approximately 40-60% of the true cost of the goods and a legitimate invoice which accurately reflected 100% of the cost of the goods. The fraudulent invoices were presented to the U.S. Customs Service for the assessment of customs duties and the legitimate invoices, never provided to the U.S. Customs Service, were recorded on the corporate books and records of Spanish Foods.

17. At the early stages of the conspiracy, the defendants issued two checks to pay the legitimate invoice reflecting 100% of the cost of the goods: one check from Spanish Foods for the costs declared to the U.S. Customs Service on the fraudulent invoice and a second check from AIC, a company unrelated to the importation, for the undeclared costs omitted from the fraudulent invoice.

18. The defendants created fictitious business expenses listed as "Commissions Outside the U.S." (hereinafter "fictitious commissions") and recorded those expenses on the books and records of Spanish Foods. These fraudulent expenses were accrued on the books and records of Spanish Foods.

19. The defendants claimed these fictitious commissions on Spanish Foods corporate income tax returns for 1988 through 1991 thereby reducing Spanish Foods' corporate income tax liability for those years.

20. The defendants paid themselves funds from Spanish Foods disguised as payments of the fictitious commissions which had accrued on the corporate books and records of Spanish Foods. The defendants concealed their receipt of these funds by making payments to Hesperides, an HPH subsidiary in Spain.

21. The defendants also used three offshore shelf companies based in Tortola, British Virgin Islands ("the BVI companies") to further conceal their control and ownership of the funds paid by Spanish Foods as fictitious commissions. The BVI companies were Thai Corporation, LTD., controlled by defendants REMEDIOS and FAUSTO DIAZ OLIVER, First Royalrock, Inc., controlled by defendants LILLIAM and CLAUDIO MARTINEZ and Roster, S.A., controlled by VICENTE and FRANCISCO HERNANDEZ-PEREZ.

22. The defendants opened bank accounts for each of the BVI companies at Hamilton Bank in Miami, Florida. In efforts to conceal their ownership and control of both the bank account for Thai Corporation, LTD., and the funds deposited therein, defendants REMEDIOS DIAZ OLIVER and FAUSTO DIAZ OLIVER used and caused to be used fraudulent identification documents and forged signatures of unwitting nominees to open the account and conduct

transactions. Similarly, in order to conceal their ownership and control of both the bank account for First Royalrock, Inc., and the funds deposited therein, defendants CLAUDIO L. MARTINEZ and LILLIAM MARTINEZ also used and caused to be used fraudulent identification documents and forged signatures of unwitting nominees to open the account and conduct transactions.

23. The defendants also prepared and procured false statements, affidavits and other documents, as well as tampered with and attempted to prevent witness testimony to conceal their control of the BVI companies' bank accounts and the diverted funds deposited therein.

24. The payments made to Hesperides were returned to the defendants through cashier's checks from HPH's bank account at Banco Santander in Murcia, Spain. The cashier's checks were deposited by the defendants in the bank accounts of the BVI companies at Hamilton Bank in Miami, Florida. After these funds were deposited into the BVI companies' bank accounts, the defendants reinvested them in Spanish Foods as purported loans from shareholders.

25. Defendants REMEDIOS DIAZ OLIVER, LILLIAM MARTINEZ, CLAUDIO L. MARTINEZ and FAUSTO DIAZ OLIVER filed false personal income tax returns for the years 1991 and 1992 from which they omitted the diverted funds reinvested in Spanish Foods as purported loans from shareholders through the BVI companies' bank accounts.

26. The defendants made two additional payments of the accrued fictitious commissions to associates of defendant CLAUDIO L. MARTINEZ which were also designed to disguise the distribution of funds from Spanish Foods to the defendants. These funds were also reinvested in Spanish Foods as purported shareholder loans through the BVI companies' bank accounts.

27. The defendants did not record and report \$47,000 in corporate income to the Internal Revenue Service which Spanish Foods received in the form of Spanish subsidies from ICEX in 1991.

The defendants transferred the \$47,000 in subsidies to Spanish Foods as shareholder loans through the bank accounts of the BVI companies. The funds sent from ICEX were divided among the accounts of the BVI companies according to the respective ownership interests of the defendants in Spanish Foods.

OVERT ACTS

In furtherance of the conspiracy and to effect the objects thereof, at least one of the following overt acts, among others, was committed by at least one of the coconspirators within the Southern District of Florida, and elsewhere:

U.S. Customs Violations

28. On or about November 30, 1987, defendant REMEDIOS DIAZ OLIVER caused a telex to be sent to HPH wherein she solicited from HPH fraudulent invoices to be provided to the United States Customs Service (Customs) regarding a shipment of products from HPH to Spanish Foods.

29. On or about December 11, 1987, defendant FRANCISCO HERNANDEZ-PEREZ caused to be created two versions of HPH invoice number 10.954. One invoice reflected the total cost of the goods itemized on the invoice as \$19,650 and the other as \$11,790.

30. On or about December 22, 1987, defendant FRANCISCO HERNANDEZ-PEREZ caused to be created two versions of HPH invoice number 10.992. One invoice reflected the total cost of the goods itemized on the invoice as \$19,570 and the other as \$11,742.

31. On or about December 22, 1987, defendant FRANCISCO HERNANDEZ-PEREZ caused to be created fraudulent HPH invoice number 10.993, which falsely reflected the total cost of the goods itemized on the invoice as \$11,790.

32. On or about December 22, 1987, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoices numbered 10.954, and 10.940, reflecting import costs of \$11,790 and \$11,610, respectively.

33. On or about January 20, 1988, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoices numbered 10.992, and 10.993, reflecting import costs of \$11,742 and \$11,790, respectively.

34. On or about May 1, 1988, defendant REMEDIOS DIAZ OLIVER authorized AIC check number 12396 made payable to HPH for \$31,288, as payment for the difference between the true cost of the goods listed on HPH invoices numbered 10.940, 10.954, 10.992 and 10.993 and the fraudulent versions of these invoices submitted to Customs.

35. On or about July 1, 1988, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent invoices numbered 86550 and 86557 from Spanish Foods' vendor Jose Lopez Beltran y CIA, each reflecting import costs of \$6,244.56.

36. On or about May 12, 1989, defendant LILLIAM MARTINEZ caused to be presented to Customs a fraudulent invoice from Spanish Foods' vendor J. Garcia Carrion, S.A., numbered 890070 and reflecting import costs of \$12,885.60.

37. In or about September 1989, defendant REMEDIOS DIAZ OLIVER authorized AIC check number 15951 made payable to J. Garcia Carrion, S.A., for \$10,242.40, as payment for the difference between the cost reflected in fraudulent invoice number 890070 from J. Garcia Carrion, S.A., submitted to Customs, and the true cost of these goods.

38. On or about November 3, 1989, defendant CLAUDIO L. MARTINEZ authorized and issued Spanish Foods' check number 121 made payable to Spanish Foods' vendor Consorcio

Agro Industrial Malloa, S.A. ("Malloa"), as payment for the difference between the cost of the goods reflected in fraudulent invoice number 002064 from Malloa subsequently submitted to Customs, and the true cost of these goods.

39 On or about December 8, 1989, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent Malloa invoice number 002064, reflecting import costs of \$27,250.

40. On or about December 9, 1989, defendant VICENTE HERNANDEZ-PEREZ caused to be created fraudulent HPH invoice number 11.153, which falsely reflected the total cost of the goods itemized on the invoice as \$22,685.

41. On or about December 21, 1989, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoice number 11.153, reflecting import costs of \$22,685.

42. On or about January 14, 1990, defendant FRANCISCO HERNANDEZ-PEREZ caused to be created two versions of HPH invoice number 11.212. One invoice reflected the total cost of the goods itemized on the invoice as \$16,560 and the other as \$27,600.

43. On or about January 26, 1990, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoice number 11.212, reflecting import costs of \$16,560.

44. On or about February 6, 1990, defendant VICENTE HERNANDEZ-PEREZ caused to be created two versions of HPH invoice number 11.224. One invoice reflected the total cost of the goods itemized on the invoice as \$33,120 and the other as \$55,200.

45. On or about February 21, 1990, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoice number 11.224, reflecting import costs of \$33,120.

46. On or about June 1, 1990, defendant VICENTE HERNANDEZ-PEREZ caused to

be created two versions of HPH invoice number 11.620. One invoice reflected the total cost of the goods itemized on the invoice as \$15,316.50 and the other as \$25,527.50.

47. On or about June 13, 1990, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoice number 11.620, reflecting import costs of \$15,316.50.

48. In or about July 1990, defendants FAUSTO DIAZ OLIVER, REMEDIOS DIAZ OLIVER and LILLIAM MARTINEZ met with a representative of Spanish Foods' vendor Juan Antonio Sirvent Selfa, S.A. ("JASS"). During the meeting, defendant FAUSTO DIAZ OLIVER requested that JASS provide fraudulent invoices for the products it sold to Spanish Foods for use in evading customs duties.

49. On or about October 11, 1990, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent JASS invoice number 90/000.49, reflecting import costs of \$32,543.05.

50. On or about November 9, 1990, defendant VICENTE HERNANDEZ-PEREZ caused to be created two versions of HPH invoice number 11.930. One invoice reflected the total cost of the goods itemized on the invoice as \$20,073 and the other as \$33,455.

51. On or about November 27, 1990, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoice number 11.930, reflecting import costs of \$20,073.

52. On or about November 30, 1990, defendant FRANCISCO HERNANDEZ-PEREZ caused to be created two versions of HPH invoice number 11.982. One invoice reflected the total cost of the goods itemized on the invoice as \$63,885.36 and the other as \$106,475.60.

53. On or about December 4, 1990, defendant LILLIAM MARTINEZ caused to be

presented to Customs fraudulent JASS invoice number 90/000-79, reflecting import costs of \$40,161.70.

54. On or about December 19, 1990, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoice number 11.982, reflecting import costs of \$63,885.36.

55. On or about February 13, 1991, defendant VICENTE HERNANDEZ-PEREZ caused to be created two versions of HPH invoice number 12.149. One invoice reflected the total cost of the goods itemized on the invoice as \$38,175.75 and the other as \$63,626.25.

56. On or about March 5, 1991, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoice number 12.149, reflecting import costs of \$38,175.75.

57. On or about May 28, 1991, defendant VICENTE HERNANDEZ-PEREZ caused to be created two versions of HPH invoice number 12.373. One invoice reflected the total cost of the goods itemized on the invoice as \$17,374.11 and the other as \$28,957.29.

58. On or about June 14, 1991, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoice number 12.373, reflecting import costs of \$17,374.11.

59. On or about August 24, 1991, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent JASS invoice number 91/00111, reflecting import costs of \$52,563.

60. On or about October 10, 1991, defendant LILLIAM MARTINEZ caused a fax to be sent to Spanish Foods' vendor Antonio Pico Mira, S.A., ("Turrone Pico") wherein she

solicited from said vendor fraudulent invoices to be provided to Customs regarding a shipment of products from Turrones Pico to Spanish Foods.

61. On or about October 17, 1991, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent Turrones Pico invoice number 788, reflecting import costs of \$37,774.

62. On or about March 2, 1992, defendant VICENTE HERNANDEZ-PEREZ caused to be created two versions of HPH invoice number 10.079. One invoice reflected the total cost of the goods itemized on the invoice as \$22,809 and the other as \$38,015.

63. On or about March 12, 1992, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoice number 10.079, reflecting import costs of \$22,809.

64. On or about May 24, 1992, defendant VICENTE HERNANDEZ-PEREZ caused to be created two versions of HPH invoice number 10.321. One invoice reflected the total cost of the goods itemized on the invoice as \$18,115.50 and the other as \$30,192.50.

65. On or about June 4, 1992, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoice number 10.321, reflecting import costs of \$18,115.50.

66. On or about November 29, 1992, defendant VICENTE HERNANDEZ-PEREZ caused to be created two versions of HPH invoice number 10.528. One invoice reflected the total cost of the goods itemized on the invoice as \$23,256 and the other as \$38,760.

67. On or about December 9, 1992, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoice number 10.528, reflecting import costs of \$23,256.

68. On or about March 6, 1993, defendant VICENTE HERNANDEZ-PEREZ caused to be created two versions of HPH invoice number 10.754. One invoice reflected the total cost

of the goods itemized on the invoice as \$12,384 and the other as \$20,630.

69. On or about March 23, 1993, defendant LILLIAM MARTINEZ caused to be presented to Customs fraudulent HPH invoice number 10.754, reflecting import costs of \$12,384.

Internal Revenue Service Violations

70. On or about August 24, 1987, defendant LILLIAM MARTINEZ spoke with a representative of HPH and confirmed that defendant REMEDIOS DIAZ OLIVER's ownership and participation in Spanish Foods would be concealed.

71. On or about May 14, 1989, defendant LILLIAM MARTINEZ caused to be filed with the Internal Revenue Service a fraudulent 1988 corporate income tax return, Form 1120, for Spanish Foods, claiming a fictitious commissions deduction of \$56,800.

72. On or about March 10, 1990, defendant LILLIAM MARTINEZ issued Spanish Foods check number 1422 payable to HPH for \$56,800, as a payment of the fictitious commissions claimed on Spanish Foods' 1988 corporate income tax return.

73. On or about May 16, 1990, defendant LILLIAM MARTINEZ caused to be filed with the Internal Revenue Service a fraudulent 1989 corporate income tax return, Form 1120, for Spanish Foods, claiming a fictitious commissions deduction of \$126,975.

74. On or about November 22, 1990, defendant FRANCISCO HERNANDEZ-PEREZ caused the \$56,800 sent by Spanish Foods to HPH in March of 1990 as payment of the fictitious commissions to be returned to Spanish Foods via wire transfer.

75. In or about December of 1990, defendant LILLIAM MARTINEZ caused the funds representing the \$56,800 fictitious commissions payment from Spanish Foods to HPH which was returned to Spanish Foods via wire transfer, to be recorded on the books and records of Spanish

Foods as paid-in capital.

76. On or about April 22, 1991, defendants LILLIAM MARTINEZ, FRANCISCO HERNANDEZ-PEREZ and VICENTE HERNANDEZ-PEREZ met and planned improvements to the scheme to evade payment of U.S. corporate income taxes by Spanish Foods by further disguising the source, ownership and control of the funds siphoned from Spanish Foods as the fictitious commissions and the funds obtained from ICEX, through the following: 1) creation of three BVI shelf companies; and 2) the creation of fraudulent documents to support the payment of the fictitious commissions.

77. On or about April 30, 1991, defendants FRANCISCO HERNANDEZ-PEREZ and VICENTE HERNANDEZ-PEREZ caused Roster, S.A., to be incorporated in Tortola, British Virgin Islands.

78. In or about May of 1991, defendant CLAUDIO L. MARTINEZ caused six Spanish Foods checks to be prepared and made payable to Hesperides for a total of \$156,973.50, as payments of the fictitious commissions expense.

79. On or about May 17, 1991, defendant LILLIAM MARTINEZ caused the six Spanish Foods checks payable to Hesperides totaling \$156,973.50 to be sent to defendants FRANCISCO HERNANDEZ-PEREZ and VICENTE HERNANDEZ-PEREZ, as payment of the fictitious commissions expense, with instructions to return the funds to Spanish Foods.

80. On or about June 6, 1991, defendants FRANCISCO HERNANDEZ-PEREZ and VICENTE HERNANDEZ-PEREZ caused a bank account in the name of Roster, S.A., to be opened at Hamilton Bank.

81. On or about June 12, 1991, defendant CLAUDIO L. MARTINEZ caused First

Royalrock, Inc., to be incorporated in Tortola, British Virgin Islands.

82. In or about June of 1991, defendant FAUSTO DIAZ OLIVER caused Thai Corporation, LTD., a company incorporated in Tortola, British Virgin Islands, to be used in the scheme to disguise the ownership and movement of funds from Spanish Foods.

83. On or about July 2, 1991, defendant FAUSTO DIAZ OLIVER caused a bank account for Thai Corporation, LTD., to be opened at Hamilton Bank using fraudulent identification documents and forged signatures.

84. On or about July 5, 1991, defendant CLAUDIO L. MARTINEZ caused a bank account for First Royalrock, Inc., to be opened at Hamilton Bank using fraudulent identification documents and forged signatures.

85. On or about July 13, 1991, defendant LILLIAM MARTINEZ caused to be filed with the Internal Revenue Service a fraudulent 1990 corporate income tax return, Form 1120, for Spanish Foods, claiming a fictitious commissions deduction of \$172,000.

86. On or about July 18, 1991, defendant FRANCISCO HERNANDEZ-PEREZ purchased eight cashier's checks totaling \$156,973.50 at Banco Santander in Spain. Two of these checks were payable to First Royalrock Corporation, three were payable to Thai Corporation, LTD., and three were payable to Roster, S.A.

87. On or about July 22, 1991, defendant FRANCISCO HERNANDEZ-PEREZ sent defendant CLAUDIO L. MARTINEZ the eight cashier's checks totaling \$156,973.50 purchased on July 18, 1991, with instructions to deposit the same in the accounts of the three BVI companies.

88. On or about July 31, 1991, defendant CLAUDIO L. MARTINEZ caused the two

cashier's checks payable to First Royalrock Corporation purchased on July 18, 1991, by defendant FRANCISCO HERNANDEZ-PEREZ, to be deposited in the First Royalrock Corporation account at Hamilton Bank.

89. On or about August 5, 1991, defendant CLAUDIO L. MARTINEZ issued a personal check, check number 284, payable to Roster, S.A. for \$4,692 to distribute to defendant FRANCISCO HERNANDEZ-PEREZ funds previously diverted from Spanish Foods as payments of the fictitious commissions expense.

90. On or about August 6, 1991, defendants REMEDIOS DIAZ OLIVER and FAUSTO DIAZ OLIVER issued AIC check number 29234 payable to Roster, S.A. for \$4,692, to distribute to defendant FRANCISCO HERNANDEZ-PEREZ funds previously diverted from Spanish Foods as payment of the fictitious commissions expense.

91. On or about August 6, 1991, defendant FAUSTO DIAZ OLIVER caused the three cashier's checks payable to Thai Corporation, LTD., purchased on July 18, 1991, by defendant FRANCISCO HERNANDEZ-PEREZ, to be deposited in the Thai Corporation, LTD., account at Hamilton Bank.

92. In or about August 1991, defendants CLAUDIO L. MARTINEZ and LILLIAM MARTINEZ caused payments to Spanish Foods from Roster, S.A., and Thai Corporation, LTD., to be recorded as loans from shareholders in the books and records of Spanish Foods.

93. On or about August 27, 1991, defendant LILLIAM MARTINEZ issued Spanish Foods' check number 2403 payable to Hesperides for \$123,601.50, as a payment of the fictitious commissions expense.

94. On or about September 17, 1991, defendant FAUSTO DIAZ OLIVER prepared

Thai Corporation, LTD., check number 1003 for \$15,000 payable to Spanish Foods, to return to Spanish Foods funds diverted from the company as a payment of the fictitious commissions expense.

95. On or about September 18, 1991, defendant FAUSTO DIAZ OLIVER prepared Thai Corporation, LTD. check number 1002 for \$16,000 payable to Spanish Foods, to return to Spanish Foods funds diverted from the company as a payment of the fictitious commissions expense.

96. On or about September 24, 1991, defendants REMEDIOS DIAZ OLIVER, FAUSTO DIAZ OLIVER, CLAUDIO L. MARTINEZ and LILLIAM MARTINEZ and others, met and discussed returning the funds diverted from Spanish Foods as a payment of the fictitious commissions back to Spanish Foods as loans from shareholders.

97. On or about October 8, 1991, defendant CLAUDIO L. MARTINEZ issued Spanish Foods' check number 2603 payable to Hesperides for \$56,763, as a payment of the fictitious commissions expense.

98. In or about November 18, 1991, defendants LILLIAM MARTINEZ and FRANCISCO HERNANDEZ-PEREZ met and discussed the creation of a sham Spanish Foods/Hesperides contract to attempt to legitimize the diversion of funds from Spanish Foods as commissions to Hesperides.

99. On or about January 22, 1992, defendant CLAUDIO L. MARTINEZ issued Spanish Foods' check number 3237, payable to Hesperides for \$100,000, as payment of the fictitious commissions expense.

100. On or about January 31, 1992, defendant LILLIAM MARTINEZ caused \$417,173,

diverted from Spanish Foods as payment of the fictitious commissions expense and returned to Spanish Foods as loans from shareholders, to be recorded on the books and records of Spanish Foods as paid-in capital.

101. On or about February 24, 1992, defendant FRANCISCO HERNANDEZ-PEREZ prepared Roster, S.A., check number 905, payable to Spanish Foods for \$49,980, to return to Spanish Foods funds diverted from the company as payment of the fictitious commissions expense.

102. On or about March 2, 1992, defendant LILLIAM MARTINEZ caused \$99,980, diverted from Spanish Foods as payment of the fictitious commissions expense and returned to Spanish Foods as loans from shareholders, to be recorded on the books and records of Spanish Foods as paid-in capital.

103. On or about July 15, 1992, defendant LILLIAM MARTINEZ caused a fraudulent 1991 corporate income tax return, Form 1120, for Spanish Foods, claiming a fictitious commissions deduction of \$100,500, to be filed with the Internal Revenue Service.

104. In or about August of 1994, defendant FAUSTO DIAZ OLIVER procured five false documents from Ernest R. Kew which fraudulently state that Ernest R. Kew authorized the five checks issued from the Thai Corporation, LTD.'s bank account to return the diverted funds to Spanish Foods.

105. On or about April 11, 1995, defendant FAUSTO DIAZ OLIVER deceitfully procured a fraudulent affidavit from Ernest R. Kew to conceal defendant FAUSTO DIAZ OLIVER's control of the Thai Corporation, LTD.'s bank account at Hamilton Bank.

106. On or about June 28, 1995, defendant CLAUDIO L. MARTINEZ attempted to prevent a witness from testifying in order to conceal the true ownership and control of the First

Royalrock, Inc.'s bank account at Hamilton Bank.

107. On or about May 10, 1996, defendant FRANCISCO HERNANDEZ-PEREZ provided to the government a sham Hesperides/Spanish Foods contract created to justify the diversion of funds from Spanish Foods as payments to Hesperides.

All in violation of Title 18, United States Code, Section 371.

COUNTS 2 - 12

ENTRY OF GOODS BY FALSE STATEMENTS
(18 U.S.C. §542)

Paragraphs 2 through 14 and 28 though 69 of Count 1 of this Indictment are realleged and incorporated into Counts 2 through 12 of this Indictment as if fully set forth herein.

On or about the dates alleged below in each count, in Miami, Dade County, in the Southern District of Florida and elsewhere, the defendant or defendants specified below in each count, did knowingly and willfully understate the true cost of imported merchandise on invoices, declarations, papers and statements whereby the United States was deprived of lawful duties accruing upon merchandise embraced and referred to in such invoices, declarations, papers and documents, on the dates identified below in each count.

<u>Count</u>	<u>Date</u>	<u>Defendant(s)</u>	<u>Transactions</u>	<u>True Cost of Import</u>
2	11/27/90	Remedios Diaz Oliver, Francisco Hernandez-Perez, Lilliam Martinez, Vicente Hernandez-Perez	Fraudulent HPH invoice 11.930 reflecting false costs of \$20,073 presented to U.S. Customs.	\$33,455.00

<u>Count</u>	<u>Date</u>	<u>Defendant(s)</u>	<u>Transactions</u>	<u>True Cost of Import</u>
3	12/4/90	Lilliam Martinez, Fausto Diaz Oliver	Fraudulent JASS invoice 90/000-79 reflecting false costs of \$40,161.70 presented to U.S. Customs.	\$101,552.50
4	12/19/90	Remedios Diaz Oliver, Francisco Hernandez-Perez, Lilliam Martinez, Vicente Hernandez-Perez	Fraudulent HPH invoice 11.982 reflecting false costs of \$63,885.36 presented to U.S. Customs.	\$106,475.60
5	3/5/91	Remedios Diaz Oliver, Francisco Hernandez-Perez, Lilliam Martinez, Vicente Hernandez-Perez	Fraudulent HPH invoice 12.149 reflecting false costs of \$38,175.75 presented to U.S. Customs.	\$63,626.25
6	6/14/91	Remedios Diaz Oliver, Francisco Hernandez-Perez, Lilliam Martinez, Vicente Hernandez-Perez	Fraudulent HPH invoice 12.373 reflecting false costs of \$17,374.11 presented to U.S. Customs.	\$28,957.29
7	8/24/91	Lilliam Martinez, Fausto Diaz Oliver	Fraudulent JASS invoice 91/00111 reflecting false costs of \$52,563 presented to U.S. Customs.	\$123,226.00
8	10/17/91	Lilliam Martinez	Fraudulent PICO invoice 788 reflecting false costs of \$37,774 presented to U.S. Customs.	\$94,435.00
9	3/12/92	Remedios Diaz Oliver, Francisco Hernandez-Perez, Lilliam Martinez, Vicente Hernandez-Perez	Fraudulent HPH invoice 10.079 reflecting false costs of \$22,809.90 presented to U.S. Customs.	\$38,015.00
10	6/4/92	Remedios Diaz Oliver, Francisco Hernandez-Perez, Lilliam Martinez, Vicente Hernandez-Perez	Fraudulent HPH invoice 10.321 reflecting false costs of \$18,115.50 presented to U.S. Customs.	\$30,192.50
11	12/9/92	Remedios Diaz Oliver, Francisco Hernandez-Perez, Lilliam Martinez, Vicente Hernandez-Perez	Fraudulent HPH invoice 10.528 reflecting false costs of \$23,256 presented to U.S. Customs.	\$38,760.00
12	3/23/93	Remedios Diaz Oliver, Francisco Hernandez-Perez, Lilliam Martinez, Vicente Hernandez-Perez	Fraudulent HPH invoice 10.754 reflecting false costs of \$12,384 presented to U.S. Customs.	\$20,630.00

In violation of Title 18, United States Code, Sections 542 and 2.

EVASION OF CORPORATE INCOME TAXES
(26 U.S.C. §7201)

COUNT 13

Paragraphs 2 through 14 and 70 through 107 of Count 1 of this Indictment are realleged and incorporated into Count 13 of this Indictment as if fully set forth herein.

On or about July 13, 1991, in Miami, Dade County, in the Southern District of Florida, and elsewhere, the defendants,

**REMEDIOS DIAZ OLIVER,
FRANCISCO HERNANDEZ-PEREZ,
LILLIAM MARTINEZ,
FAUSTO DIAZ OLIVER,
and
VICENTE HERNANDEZ-PEREZ,**

did willfully attempt to evade and defeat a large part of the income tax due and owing by Spanish Foods, Inc., to the United States of America for the fiscal year ended October 31, 1990, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent U.S. Corporate Income Tax Return, Form 1120, which was filed with the Internal Revenue Service on behalf of said corporation, wherein it was reported that the taxable income of said corporation for the said fiscal year was the sum of \$7,919.21, and that the total amount of tax due and owing thereon was the sum of \$1,187.88, whereas as the defendants then and there well knew and believed, the taxable income of Spanish Foods, Inc., for the fiscal year ended October 31, 1990, was substantially in excess of that stated and that upon the additional taxable income a substantial additional tax was due and owing to the United States of America; in violation of Title 26, United States Code, Section 7201 and Title 18, United States Code, Section 2.

COUNT 14

Paragraphs 2 through 14 and 70 through 107 of Count 1 of this Indictment are realleged and incorporated into Count 14 of this Indictment as if fully set forth herein.

On or about July 15, 1992, in Miami, Dade County, in the Southern District of Florida, and elsewhere, the defendants,

**REMEDIOS DIAZ OLIVER,
FRANCISCO HERNANDEZ-PEREZ,
LILLIAM MARTINEZ,
FAUSTO DIAZ OLIVER,
and
VICENTE HERNANDEZ-PEREZ,**

did willfully attempt to evade and defeat a large part of the income tax due and owing by Spanish Foods, Inc., to the United States of America for the fiscal year ended October 31, 1991, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent U.S. Corporate Income Tax Return, Form 1120, which was filed with the Internal Revenue Service on behalf of said corporation, wherein it was reported that the taxable income of said corporation for the said fiscal year was the sum of \$76,240 and that the total amount of tax due and owing thereon was the sum of \$14,172, whereas as the defendants then and there well knew and believed, the taxable income of Spanish Foods, Inc., for the fiscal year ended October 31, 1991, was substantially in excess of that stated and that upon the additional taxable income a substantial additional tax was due and owing to the United States of America; in violation of Title 26, United States Code, Section 7201 and Title 18, United States Code, Section 2.

SUBSCRIBING FALSE INDIVIDUAL INCOME TAX RETURNS
(18 U.S.C. §7206(1))

COUNT 15

Paragraphs 2 through 14 and 70 through 107 of Count 1 of this Indictment are realleged and incorporated into Count 15 of this Indictment as if fully set forth herein.

On or about August 14, 1992, in Miami, Dade County, in the Southern District of Florida and elsewhere, the defendants,

**FAUSTO DIAZ OLIVER,
and
REMEDIOS DIAZ OLIVER,**

residents of Miami, Florida, whom during the calendar year 1991 were married, did willfully make and subscribe a joint Individual U.S. Income Tax Return, Form 1040, for the calendar year 1991, which was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service, which said income tax return they did not believe to be true and correct as to every material matter in that the said return reported dividend income in the amount of \$7,533, whereas the defendants then and there well knew and believed, they received dividend income in addition to that stated on their income tax return; in violation of Title 26, United States Code, Section 7206(1) and Title 18, United States Code, Section 2.

COUNT 16

Paragraphs 2 through 14 and 70 through 107 of Count 1 of this Indictment are realleged and incorporated into Count 16 of this Indictment as if fully set forth herein.

On or about August 17, 1993, in Miami, Dade County, in the Southern District of Florida and elsewhere, the defendants,

**FAUSTO DIAZ OLIVER,
and
REMEDIOS DIAZ OLIVER,**

residents of Miami, Florida, whom during the calendar year 1992 were married, did willfully make and subscribe a joint Individual U.S. Income Tax Return, Form 1040, for the calendar year 1992, which was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service, which said income tax return they did not believe to be true and correct as to every material matter in that the said return reported dividend income in the amount of \$6,784, whereas the defendants then and there well knew and believed, they received dividend income in addition to that stated on their income tax return; in violation of Title 26, United States Code, Section 7206(1) and Title 18, United States Code, Section 2.

COUNT 17

Paragraphs 2 through 14 and 70 through 107 of Count 1 of this Indictment are realleged and incorporated into Count 17 of this Indictment as if fully set forth herein.

On or about August 17, 1992, in Miami, Dade County, in the Southern District of Florida and elsewhere, the defendant,

LILLIAM MARTINEZ,

a resident of Miami, Florida, did willfully make and subscribe a joint Individual U.S. Income Tax Return, Form 1040, for the calendar year 1991, which was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service, which said income tax return the defendant did not believe to be true and correct as to every material matter in that the said return reported dividend income in the amount of \$2,565, whereas the defendant then and there well knew and believed, the defendant received dividend income in addition to that stated

on the income tax return; in violation of Title 26, United States Code, Section 7206(1) and Title 18, United States Code, Section 2.

COUNT 18

Paragraphs 2 through 14 and 70 through 107 of Count 1 of this Indictment are realleged and incorporated into Count 18 of this Indictment as if fully set forth herein.

On or about August 16, 1993, in Miami, Dade County, in the Southern District of Florida and elsewhere, the defendant,

LILLIAM MARTINEZ,

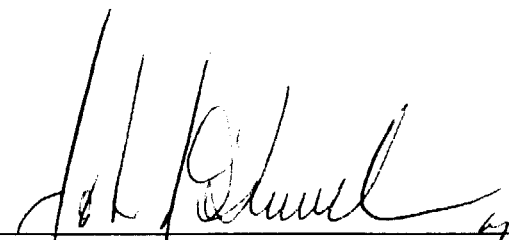
a resident of Miami, Florida, did willfully make and subscribe a joint Individual U.S. Income Tax Return, Form 1040, for the calendar year 1992, which was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service, which said income tax return the defendant did not believe to be true and correct as to every material matter in that the said return reported dividend income in the amount of \$2,287, whereas the defendant then and there well knew and believed, the defendant received dividend income in addition to that stated

on the income tax return; in violation of Title 26, United States Code, Section 7206(1) and Title 18,
United States Code, Section 2.

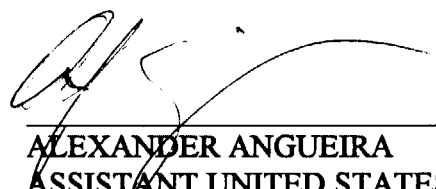
A TRUE BILL



FOREPERSON



THOMAS E. SCOTT
UNITED STATES ATTORNEY



ALEXANDER ANGUEIRA
ASSISTANT UNITED STATES ATTORNEY

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CR - GOLD
ACR - GOLD

UNITED STATES OF AMERICA

CASE NO.

97-0842

v.

CERTIFICATE OF TRIAL ATTORNEY

BANDSTRAREMEDIOS DIAZ OLIVER et al.**Related Case Information:**

SUPERSEDING	Yes	_____	No	<u>X</u>
New Defendant(s)	Yes	<u>X</u>	No	_____
Number of New Defendants		<u>6</u>		
Total number of counts		<u>18</u>		

Court Division: (Select One)

X Miami _____ Key West
 _____ FTL _____ WPB _____ FTP

I do hereby certify that:

1. I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.

2. I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

3. Interpreter: (Yes or No) YES
 List language and/or dialect SPANISH

4. This case will take 20 days for the parties to try.

5. Please check appropriate category and type of offense listed below
 (Check only one) (Check only one)

I	0 to 5 days	_____	Petty	_____
II	6 to 10 days	_____	Minor	_____
III	11 to 20 days	<u>X</u>	Misdem.	_____
IV	21 to 60 days	_____	Felony	<u>X</u>
V	61 days and over	_____		

6. Has this case been previously filed in this District Court? (Yes or No) No
 If yes:

Judge: _____ Case No. _____
 (Attach copy of dispositive order)

Has a complaint been filed in this matter? (Yes or No) _____
 If yes:

Magistrate Case No. _____
 Related Miscellaneous numbers: _____
 Defendant(s) in federal custody as of _____
 Defendant(s) in state custody as of _____
 Rule 20 from the _____ District of _____

7. This case originated in the U.S. Attorney's office prior to August 16, 1985
 (Yes or No) NO


 ALEXANDER ANQUEIRA
 ASSISTANT UNITED STATES ATTORNEY
 Florida Bar No. 0716091

*Penalty Sheet(s) attached

REV. 12/12/96
 A:SPANISH.CET

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
PENALTY SHEET

Defendant's Name: REMEDIOS DIAZ OLIVER

97-0842

CR - GOLD
ALAN - GORD
MAGISTRATE JUDGE
BANDSTRA

Count #: 1

Conspiracy to evade customs duties and to defraud the U.S.; 18 U.S.C. § 371

*Max. Penalty: Term of incarceration of up to five(5) years; term of supervised release of up to three(3) years; fine of up to \$250,000; restitution and \$50.00 special assessment.

Counts #: 2, 4-6 & 9-12

Entry of goods by false statement; 18 U.S.C. § 542

*Max. Penalty as to each count: Term of incarceration of up to two(2) years; term of supervised release of up to a year; fine of up to \$250,000; restitution and \$50.00 special assessment.

Counts #: 13 & 14

Evasion of Corporate Income Tax; 26 U.S.C. § 7201

*Max. Penalty as to each count: Term of incarceration of up to five(5) years; term of supervised release of up to three(3) years; fine of up to \$250,000; restitution; cost of prosecution and \$50.00 special assessment.

Counts #: 15 & 16

Subscribing false individual tax returns; 26 U.S.C. § 7206(1)

*Max. Penalty as to each count: Term of Incarceration of not more than three(3) years; term of supervised release of not more than one(1) year; fine of up to \$250,000; restitution; costs of prosecution; and \$50.00 special assessment.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
PENALTY SHEET

97-0842CR - GOLD
MAGISTRATE JUDGE

Defendant's Name: FRANCISCO HERNANDEZ-PEREZ

No: BANDSTRA

Count #: 1
Conspiracy to evade customs duties and to defraud; U.S. 18 U.S.C. § 371

*Max. Penalty: Term of incarceration of up to five(5) years; term of supervised release of three(3) years; fine of up to \$250,000; restitution and \$50.00 special assessment.

Counts #: 2, 4-6 & 9-12
Entry of goods by false statement; 18 U.S.C. § 542

*Max. Penalty as to each count: Term of incarceration of up to two(2) years; term of supervised release of up to a year; fine of up to \$250,000; restitution and \$50.00 special assessment.

Counts #: 13 & 14
Evasion of Corporate Income Tax; 26 U.S.C. § 7201

*Max. Penalty as to each count: Term of incarceration of up to five(5) years; term of supervised release of up to three(3) years; fine of up to \$250,000; restitution; cost of prosecution and \$50.00 special assessment.

Count #:

*Max. Penalty:

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
PENALTY SHEET

Defendant's Name: LILLIAM MARTINEZ **97-0842** CR - GOLD
No. **97-0842** MAGISTRATE JUDGE
BANDSTRA

Count #: 1
Conspiracy to evade customs duties and to defraud; U.S. 18 U.S.C. § 371

*Max. Penalty: Term of incarceration of up to five(5) years; term of supervised release of three(3) years; fine of up to \$250,000; restitution and \$50.00 special assessment.

Counts #: 2-12
Entry of goods by false statement; 18 U.S.C. § 542

*Max. Penalty as to each count: Term of incarceration of up to two(2) years; term of supervised release of up to a year; fine of up to \$250,000; restitution and \$50.00 special assessment.

Counts #: 13 & 14
Evasion of Corporate Income Tax; 26 U.S.C. § 7201

*Max. Penalty as to each count: Term of incarceration of up to five(5) years; term of supervised release of up to three(3) years; fine of up to \$250,000; restitution; costs of prosecution and \$50.00 special assessment.

Counts #: 17 & 18
Subscribing false individual tax returns; 26 U.S.C. § 7206(1)

*Max. Penalty as to each count: Term of incarceration of not more than three(3) years; term of supervised release of not more than one(1) year; fine of up to \$250,000; restitution; costs of prosecution; and \$50.00 special assessment.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
PENALTY SHEET

Defendant's Name: CLAUDIO L. MARTINEZ No.

97-0842 CR - GOLD
MAGISTRATE JUDGE
BANDSTRA

Count #: 1

Conspiracy to evade customs duties and to defraud; U.S. 18 U.S.C. § 371

*Max. Penalty: Term of incarceration of up to five(5) years; term of supervised release of three(3) years; fine of up to \$250,000; restitution and \$50.00 special assessment.

Count #:

*Max. Penalty:

Count #:

*Max. Penalty:

Count #:

*Max. Penalty:

FILED BY
97 NOV 12 PM 4:34
CLERK
U.S. DIST. CT.
S.D. OF FLA.-MIAMI
DC

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
PENALTY SHEET

CR - GOLD

Defendant's Name: FAUSTO DIAZ-OLIVERA No: 97-0842 MAGISTRATE JUDGE BANDSTRA

Count #: 1
Conspiracy to evade customs duties and to defraud U.S.; 18 U.S.C. § 371

*Max. Penalty: Term of incarceration of up to five(5) years; term of supervised release of three(3) years; fine of up to \$250,000; restitution and \$50.00 special assessment.

Counts #: 3 & 7
Entry of goods by false statement; 18 U.S.C. § 542

*Max. Penalty as to each count: Term of incarceration of up to two(2) years; term of supervised release of up to a year; fine of up to \$250,000; restitution and \$50.00 special assessment.

Count #: 13 & 14
Evasion of Corporate Income Tax; 26 U.S.C. § 7201

*Max. Penalty as to each count: Term of incarceration of up to five(5) years; term of supervised release of up to three(3) years; fine of up to \$250,000; restitution; costs of prosecution and \$50.00 special assessment.

Counts #: 15 & 16
Subscribing false individual tax returns; 26 U.S.C. § 7206(1)

*Max. Penalty as to each count: Term of Incarceration of not more than three(3) years; term of supervised release of not more than one(1) year; fine of up to \$250,000; restitution; costs of prosecution; and \$50.00 special assessment.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
PENALTY SHEET

97-0842 CR - GOLD
MAGISTRATE JUDGE
BANDSTRA

Defendant's Name: VICENTE HERNANDEZ-RODRIGUEZ

Count #: 1

Conspiracy to evade customs duties and to defraud; U.S. 18 U.S.C. § 371

*Max. Penalty: Term of incarceration of up to five(5) years; term of supervised release of three(3) years; fine of up to \$250,000; restitution for each count and \$50.00 special assessment.

Counts #: 2, 4-6 & 9-12
Entry of goods by false statement; 18 U.S.C. § 542

*Max. Penalty as to each count: Term of incarceration of up to two(2) years; term of supervised release of up to a year; fine of up to \$250,000; restitution and \$50.00 special assessment.

Counts #: 13 & 14
Evasion of Corporate Income Tax; 26 U.S.C. § 7201

*Max. Penalty as to each count: Term of incarceration of up to five(5) years; term of supervised release of up to three(3) years; fine of up to \$250,000; restitution; costs of prosecution \$50.00 special assessment.

Count #:

*Max. Penalty:

FORM DBD-34
JUN. 85

No. **97-0842** MICR-**60011D**

UNITED STATES DISTRICT COURT MAGISTRATE JUDGE
PANOSTRA

SOUTHERN District of FLORIDA

Criminal Division

THE UNITED STATES OF AMERICA

vs.

REMEDIOS DIAZ OLIVER, et al.

INDICTMENT

IN VIOLATION OF:

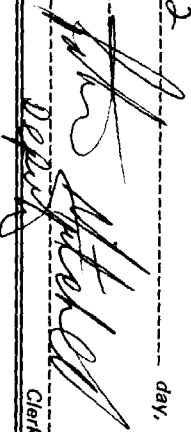
18 U.S.C. § 371
18 U.S.C. § 542
26 U.S.C. § 7201
26 U.S.C. § 7206(1)
18 U.S.C. § 2

A true bill.



Foreman

Filed in open court this 12 day,
of NOV. A.D. 19 97



Clerk

Bail, \$